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City of Flagstaff

E-01345A-16-0036 & E-01345A-16-0123

Chairman

Arizona Corporation Commission
1200 W. Washington Street
Phoenix, AZ 85007

Mr. Tom Forese

Dear Chairman Forese & Commissioners,

00001793 APR 26 2017 April 24, 2017

Arizona Corporation Commission

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The Flagstaff City Council is opposed to the following aspects of the Arizona Public Service (APS) rate increase that is part of the rate case that is currently before the commission. After careful consideration, the Council has determined the proposed rate increase is unfavorable to APS customers in Flagstaff due to the dramatic increase to the basic service charge, restrictions on plan choices, and the complexity of the new rate structure.

The proposed increase of \$7.00 per month for the basic service charge is too steep of a one-time increase. This leaves no options for the customer to reduce the impact of that increase by saving energy. This increase could force low and moderate income families, as well as elderly consumers on fixed incomes, to make difficult choices regarding their basic necessities.

The proposed new customer restrictions on rate plans for the first 90 days of service are unjust. These restrictions would force new customers, or current customers setting up new accounts, to use either a demand rate or a time-of-use rate for three months before they could switch to a basic rate plan. This plan is easier to understand and more suitable to many customers' needs. Time-of-use rates charge customers a higher price for electricity during certain time periods; this would be difficult for families who do not have the flexibility to manage when they use the most electricity.

The proposed new rate structure is complex and difficult to navigate. There are many changes, options and additional charges being offered with this rate increase. This could prove to be time consuming and result in over charging of energy customers. The Flagstaff City Council does not want to force any Flagstaff citizen to make the difficult decision of paying more for their electric bill, at the expense of other needs such as medication and or food.

Mr. Forese and Commissioners, please do not allow for this rate increase to be approved. The people of Flagstaff have one option when it comes to choosing an electrical power provider and it needs to be affordable. Please keep the people of Flagstaff and their best interest in mind when making your decision.

Sincerely,

Jamie Whelan

Vice Mayor

Flagstaff City Council

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